

Education For Sustainable Development (ESD)
Whistle-Blowing Policy

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1 PURPOSE

ESD is committed to being open, accountable, transparent and fair in all its operations.

ESD's decision to introduce a whistle-blowing policy is motivated by the desire to treat employees, contractors and the community fairly and to achieve high standards of ethical conduct. Anyone concerned about possible wrongdoing within the organisation, who honestly express their concerns, will be treated fairly. Those who find themselves the target of whistle-blowers' accusations will also be treated fairly. The whistle-blowing policy ensures that all those concerned will receive equitable treatment by standardising the way such situations are handled. In addition the purpose of this policy is to give effect to ESD's duty of trust by protecting its funds, assets, staff, security procedures, all policies, and communities with whom it works, from fraud, misconduct or abuse of any kind.

This document sets out ESD's formal fraud and whistle-blowing policy, consisting of safe and effective procedures for misconduct disclosure or reporting, in order that the appropriate remedial action can be taken. It is derived from the ESD organisational policy, approved by the ESD Board in January 2020.

What is whistle-blowing?

To blow the whistle on someone is to alert a third party that someone has potentially done, or is doing, something wrong. By blowing the whistle on misconduct in an organisation, one alerts the organisation to the fact that its stakeholders may be wrongfully harmed, or that they are at risk of harm.

ESD recognises that it is by no means an easy task to 'blow the whistle' on suspicions of impropriety. ESD understands, for example, that a person suspecting malpractice or impropriety might be reluctant to take steps which might lead to action being taken against fellow members of the organisation or a known contractor/supplier; similarly, it recognises that individuals suspecting misconduct or impropriety might be deterred from reporting it by a fear that they themselves might be victimised. Nonetheless, if ESD is to maintain the highest standards of conduct, then ESD must be given the opportunity to investigate any suspected instance of malpractice or impropriety. It might be that an allegation proves to be unfounded, but it is in everyone's interests that all allegations are investigated and properly resolved. **ESD therefore affirms that, unless he or she is acting maliciously, anyone raising concerns about malpractice or impropriety is acting responsibly and properly;** this is true even if the concern turns out to be due to a misunderstanding or otherwise

groundless. (ESD does, however, have a duty to protect its employees from malicious complaints; and appropriate disciplinary action **will** be taken against anyone found to have acted maliciously in bringing forward an unfounded allegation). Against this background, it should be understood that every member of staff has a role to play in protecting the integrity of ESD's activities, and all staff are strongly encouraged to report any suspected misconduct or impropriety.

ESD clearly commits to the following:

1. Employees who are aware of possible wrongdoing within the organisation **have an obligation** to disclose that information to the executive director and or assigned staff inside the organisation;
2. ESD designates specific individuals outside the immediate chain of command as complaint recipients – details are included in this document. A whistle-blower may also contact the Directors and a designated Board member, both based in Addis Ababa
3. ESD **guarantees** that employees who in good faith disclose perceived wrongdoing to the designated parties inside the organisation will be protected from adverse employment consequences.
4. ESD **guarantees** that contractors/service providers/subgrantees and similar that in good faith disclose perceived wrongdoing to the designated parties inside the organisation will be protected from adverse consequences and will continue to be entitled to win contracts, etc, from ESD.
5. The establishment of a fair and impartial investigative process.

2 SCOPE

Anyone can report conduct under ESD's policies, for example, beneficiaries, auditors, consultants and members of the general public. This policy applies whether or not the information could be deemed to be confidential and regardless of where the alleged malpractice occurs.

Employee

This policy applies directly to any staff member ("employee") who receives remuneration, either full or part time from ESD, including any volunteer who provides services to ESD either at Head Office or field level.

External/Third party individuals, organisations, service providers, contractors

The principles and definitions also extend to relationships ESD has with external organisations, for example: implementing partners, contractors, donors, job applicants, service providers and so on. However, as external organisations cannot be bound by internal ESD policies, their responsibilities in dealing with fraud affecting ESD will be determined by the content of the contract in place between the external party and ESD.

However, ESD channels significant resources through third parties to achieve organisational objectives, and is constantly recruiting staff, and thus ESD undertakes to provide a clear mechanism, transparent to those outside the organisation, to facilitate reporting.

Community

The reason ESD exists is to work with local communities, bringing about both short term impact and long term change. This requires a binding relationship with the communities we work with, that is open, accountable, transparent and fair in all areas.

Therefore this policy and its guiding principles also applies to ESD's interaction with local communities, and this is further underlined because of the clear responsibility that ESD, as a Developmental organisation, **must** be accountable to local communities for the quality and integrity of all interventions. ESD already has a Code of Conduct for all staff, but this places the responsibility of ethical behaviour on the employee. The whistle-blowing policy affords the opportunity for community members to report possible wrongdoings within the organisation.

ESD is currently operational in three regional states of Amhara, Oromia and SNNPR in Ethiopia, with local communities that have minimal access to communication facilities such as internet and phones, and many community members are illiterate or semi-literate. This means that both phone and written communications are unlikely to suffice for a comprehensive whistle-blowing policy targeted at local communities. Therefore the approach to whistle blowing is inevitably different to that devised for employees and contractors, and is therefore reliant on key individuals, trusted by local communities and organization to be clearly identified and assigned by the organization as contact persons for ESD. Notwithstanding the reporting modality, ESD is deeply committed to a fair and impartial investigative process of community reports of impropriety. This includes sexual harassment, sexual abuse and sexual exploitation, fraud, mis use of resources and funds etc...

A confidential mechanism for lodging a complaint must be accessible to all, irrespective of the individual's sex, age, physical ability, language, level of literacy, ethnicity, or any other

background characteristic or factor, that may prevent or discourage him/her from making a complaint safely. To accommodate anonymous complaints, mechanisms such as complaints boxes will be in place and their whereabouts made known so that complaints can be made anonymously if so desired.

ESD clearly commits to the following:

1. Employee(s) who are aware of possible wrongdoing by employee(s) of the organisation due to inappropriate relationships with beneficiaries **have an obligation** to disclose that information to appropriate parties inside the organisation. In particular ESD employees are obliged to report concerns or suspicions regarding sexual exploitation or sexual abuse.
2. Any ESD employee who has received information from local community member(s) or who is aware through his or her own interactions/observations/communications regarding possible wrongdoing by another ESD employee(s) **has an obligation** to disclose this information to appropriate parties inside the organisation.

3 OBJECTIVES

The objective of this policy is to provide an effective procedure for people and agencies/organisations to raise concerns on reportable misconduct.

This includes conduct that:

- Is against ESD's governing rules, procedures and policies or established standards of practice;
- Amounts to improper, unethical or unlawful conduct;
- Amounts to a waste of ESD's resources;
- Amounts to an attempt to cover up any of these types of actions;
- Amounts to an undermining of ESD's reputation with key actors – community, government, donor, and/or other NGOs.

3.1 Definitions of reportable conduct:

3.1.1 Illegal or unlawful conduct

Conduct may be illegal or unlawful in terms of the laws of countries and international law. We all have legal responsibilities, obligations or duties. Criminal offences such as theft, fraud,

corruption (for example bribery –accepting money, gifts, favours), are in breach of legal duties and therefore constitute reportable misconduct.

3.1.2 Un-procedural conduct

Conduct may be un-procedural since it violates clearly communicated procedures (in the form of policies, regulations, or rules) governing the operations of ESD. Such procedures are important for good governance and breaching them may expose the application of funds to risk of loss or real loss.

3.1.3 Unethical conduct

Conduct may be unethical if it undermines universal, core ethical values, such as integrity, respect, honesty, responsibility, accountability, fairness or contravenes appropriate professional, institutional or other guidelines.

For example if an individual exerted pressure on a person in a position of power in order to gain an advantage – i.e. through personal, family or other relationships. That would be unfair to others and unethical.

3.1.4 Wasteful Conduct

Conduct constituting a significant/major waste of resources is a reportable category in its own right since responsible stewardship of resources is crucial to the success of ESD’s operations. All individuals in the service of ESD have an obligation to ensure that contributions to ESD are used prudently and efficiently. If resources are spent in a wasteful manner and in breach of the trust of ESD’s donors this would be reportable under the whistle-blowing mechanism.

It is essential that anyone connected with ESD who suspects or knows that serious malpractice has taken place, is taking place, or is likely to take place raises their concerns in line with the procedure described in this document.

4 ESD’s BEST PRACTICE GUIDELINES

Who should blow the whistle?

Any employee, who has observed reportable misconduct (as defined in Section 3) within ESD, has an **obligation** to report that conduct.

Any agency or organisation that has observed reportable misconduct (as defined in Section 3) within ESD has the opportunity and the information to report that conduct and may do so as described in Appendix 1.

4.1 Protection

ESD wishes to support the safety of whistle-blowers and therefore undertakes to treat all whistle-blowing reports as either confidential or anonymous (see sections 4.2 and 4.3 below). The choice between confidential or anonymous whistle-blowing is that of the whistle-blower alone. The whistle-blower is also free to decide to waive anonymity.

Any concerns raised will be investigated carefully and thoroughly. ESD will ensure that fair treatment will be followed at all times. Any person accused of alleged misconduct will have the right to put their account of events forward at the earliest opportunity.

All those who raise concerns will be treated fairly and have the right to be represented at any time by a legal practitioner or a colleague not acting in an official capacity.

If someone tries to prevent an individual from making a confidential report or targets that person for raising their concern and if this is confirmed, ESD will treat this as a serious disciplinary offence which will be investigated in accordance with ESD's disciplinary policy and procedure.

Where allegations by staff are not made in "good faith" and are found to be knowingly false or malicious, this will be treated as a serious disciplinary offence and will be investigated in accordance with ESD's disciplinary policy and procedure. Deliberately false allegations are both an attack on the individual in question, plus the organisation as a whole. ESD, as a developmental organisation, is reliant on its good name and reputation to carry out its work, and as such must protect these qualities.

4.2 Confidential whistle-blowing

A whistle-blower may choose to reveal his or her identity when a report or disclosure is made. A whistle-blower has the right to insist upon confidentiality. Should this be the case, ESD will respect and protect the confidentiality of the whistle-blower and gives the assurance that it will not reveal the identity of the whistle-blower to any third party, unless legally obliged to do so.

The only exception to this assurance relates to an overriding legal obligation to breach confidentiality. Thus, ESD is obligated to reveal confidential information relating to a whistle-blowing report if ordered to do so by a court of law.

ESD's assurance of confidentiality can only be completely effective if the whistle-blower likewise maintains confidentiality.

4.3 Procedure following whistle-blowing

ESD is committed to investigating and addressing all cases of reported misconduct, through the ESD senior management team, or independent investigator(s) appointed by same.

Where it is legally and confidentially allowable, then feedback and/or the progress of any concerns raised will be given as soon as possible.

Some situations may be resolved promptly, whilst others may take longer because they require formal investigation or hearings.

The whistle-blower may seek follow-up information about the investigation of a report or any consequent action taken by ESD. If the report was anonymous, the onus is on the whistle-blower to follow up. Where it is legally and confidentially allowable, then feedback and/or the progress of any concerns raised will be given.

5 WHISTLE-BLOWING PROCEDURES

5.1 Staff members

This Policy will be comprehensively rolled out to all staff. A rollout plan will be devised, implemented, monitored and evaluated. Rollout will commence January 2020 and will be completed by end of this year.

Induction

Whistle Blowing Guidelines will be made available to all staff, both during the initial induction process and to all currently employed staff.

Internal Promotion

Whistle-blowing information will be advertised through promotional materials displayed in all ESD offices.

5.2 External Promotion

ESD normally publishes tenders for services, supplies, construction contracts, etc, in local newspapers; employment advertisements are placed on the internet or posted in public places. Henceforth all such public announcements will include clear whistle blowing statements.

In order to facilitate community reporting, ESD is committed to preparing materials in local languages and pictograms for illiterate community members.

5.3 Reporting

Internal reporting of alleged incidences should be in accordance with the following guidance and ESD encourages employees to consider this guidance prior to initiating whistleblowing:

- i) Reasonable belief: The employee reporting must reasonably believe the information and any allegations are substantially true;
- ii) Hard evidence - this is very clearly helpful. However, ESD does not require that the employee reporting have evidence before blowing the whistle.

ESD strongly prefers that the employee speaks to the designated people within the organisation about concerns at an early stage rather than waiting to attempt to get the evidence.

External reporting of alleged incidences should be in accordance with the following guidance and ESD encourages contractors/subgrantee to consider this guidance prior to initiating whistleblowing:

5.4 Whistle-blowing Do's and Don'ts

Do

- Keep calm
- Think about the risks and outcomes before you act
- Remember you are a witness, not a complainant
- Contact for advice ESD Head office/ Programme Coordination Office

Don't

- Forget there may be an innocent or good explanation
- Become a private detective

- Use a whistle-blowing procedure to pursue a personal grievance

6 MITIGATION PROCEDURES

6.1 Payments

An obvious high risk area for fraud and corruption is payment for contracts, services, etc, and therefore ESD will establish clearly defined multiple channels for payment - providers can chose to be paid at HO or field offices. In cases where staged payments are made, the provider can choose where some or all payments are to be issued- at HO or field offices.

A provider can also request at any time that they deal with a different individual to effect payments from ESD than the person initially allocated.

Awarding of contracts – ESD normally utilises a points systems, whereby competencies, prior experiences and price and other categories as appropriate are awarded various points, with these points then totalled to decide upon the winning contractor. This process will be clearly described in award and tender documents. In addition, all valid companies/individuals competing for a contract will be provided with summary information used to decide on the winning contractor.

The above information will be communicated to potential/interested contractors in a simple brochure prepared by ESD.

6.2 Employment

All candidates for employment will be asked if they know any individual already working for ESD. This is to ensure that relationships based on friendship, partnership family or similar are not an undue influence in employment. ESD has no policy against employing friends or relatives of existing staff, but must ensure the integrity of the employment process.

Interview panel – any member of an interview panel who has any type of relationship with an employment candidate must clearly state this and absent himself/herself from the interview.

Pre-interview – any member of an interview panel must not associate with interview candidates known to the interviewer in the week preceding the interview. This includes facilitating accommodation, etc, for a short listed candidate who has travelled to a ESD office to attend an interview.

For transparency purposes ESD has a ‘Disclosure of Conflict of Interest Declaration’ form in the HR manual.

6.3 Tender Process

ESD utilises a tender committee approach to awarding contracts. The committee is comprised of ESD staff. Any ESD staff with personal relationships of any type with key members of companies or individuals competing for contracts must declare this to the Deputy or Executive Director and absent himself/herself from the tender committee for the full duration of the award of that particular contract. This is to be done at the earliest stage possible – i.e. immediately when it is known to the individual in question that he/she knows a company or individual who is in competition for a contract.

If a ESD employee knows a member of staff of a competing company, but believes that this relationship is not pertinent to the grant in question, nevertheless the staff member must seek advice on this issue from the Deputy or Executive Director.

For transparency purposes ESD has a ‘Disclosure of Conflict of Interest Declaration’ form in the HR manual.

6.4 Meetings with contractors

ESD Director and other senior management as appropriate will draw up a short list of key contractors – contractors with large (by budget) and/or with longer term multi-contract histories with the organisation.

ESD will meet with senior management of such contractors

- at least one times over a 12 month period;
- or for shorter contracts at least once during the life of the contract.

The purpose of these meetings is:

- to establish senior management relationships between ESD and these key contractors, so that issues/rumours/complaints, etc, can be freely aired;
- to continually highlight the fraud and whistle-blowing system within ESD.

6.5 Sampling

ESD continually issues numerous contracts for a large variety of activities- services, construction, supplies, etc. ESD senior management will, over a 12 month period, meet with a senior managers of these companies.

The purpose of these meetings is to establish senior management relationships between ESD and these contractors, so that issues/rumours/complaints, etc, can be freely aired.

7 PUBLIC STATEMENTS

The successful implementation of ESD'S whistle-blowing policy is reliant on full awareness of the policy. Accordingly ESD undertakes to promote this policy both within and external to the organisation, as appropriate.

7.1 Tender Process

All tender advertisements and documents (as appropriate) shall state the following:

ESD is committed to maintaining the highest standards in the conduct of all its activities, including the awarding of contracts. ESD has established procedures upon which individuals and/or companies may call if they feel they have been discriminated against, unjustly treated or unfairly approached in relation to the award of a contract. Please contact esdeth@gmail.com or esdethio@gmail.com ESD's head office phone number +251 116639 776/78 for more information.

7.2 Employment

All employment advertisements and documents (as appropriate) shall state the following:

ESD is committed to maintaining the highest standards in the conduct of all its activities, including the employment of staff. ESD has established procedures upon which individuals may call if they feel they have personally been discriminated against, unjustly treated or unfairly approached in relation to the request for/issuing of employment. Please contact esdeth@gmail.com or esdethio@gmail.com ESD's head office phone number +251 116639 776/78 for more information.

7.3 Community

The Programme Manager is the designated reporting person for allegations of wrongdoing arising from local communities. In the event of he/she not being the appropriate person due to alleged involvement, then the programme Coordinator or Deputy and Executive Director is to be contacted.

7.5 Internal Dissemination

ESD commits to developing promotional material for dissemination throughout the organisation, above and beyond induction training for new and current staff – this includes, but is not limited to brochures, posters, information sessions and so on.

8 REPORTING

Any effective whistle-blowing policy is only as good as the reporting system. Therefore ESD commits to implementation and dissemination of a clear, transparent reporting system.

ESD has multiple reporting points throughout the organisation, nationally and internationally through the phone, email, face to face, secret box and website.

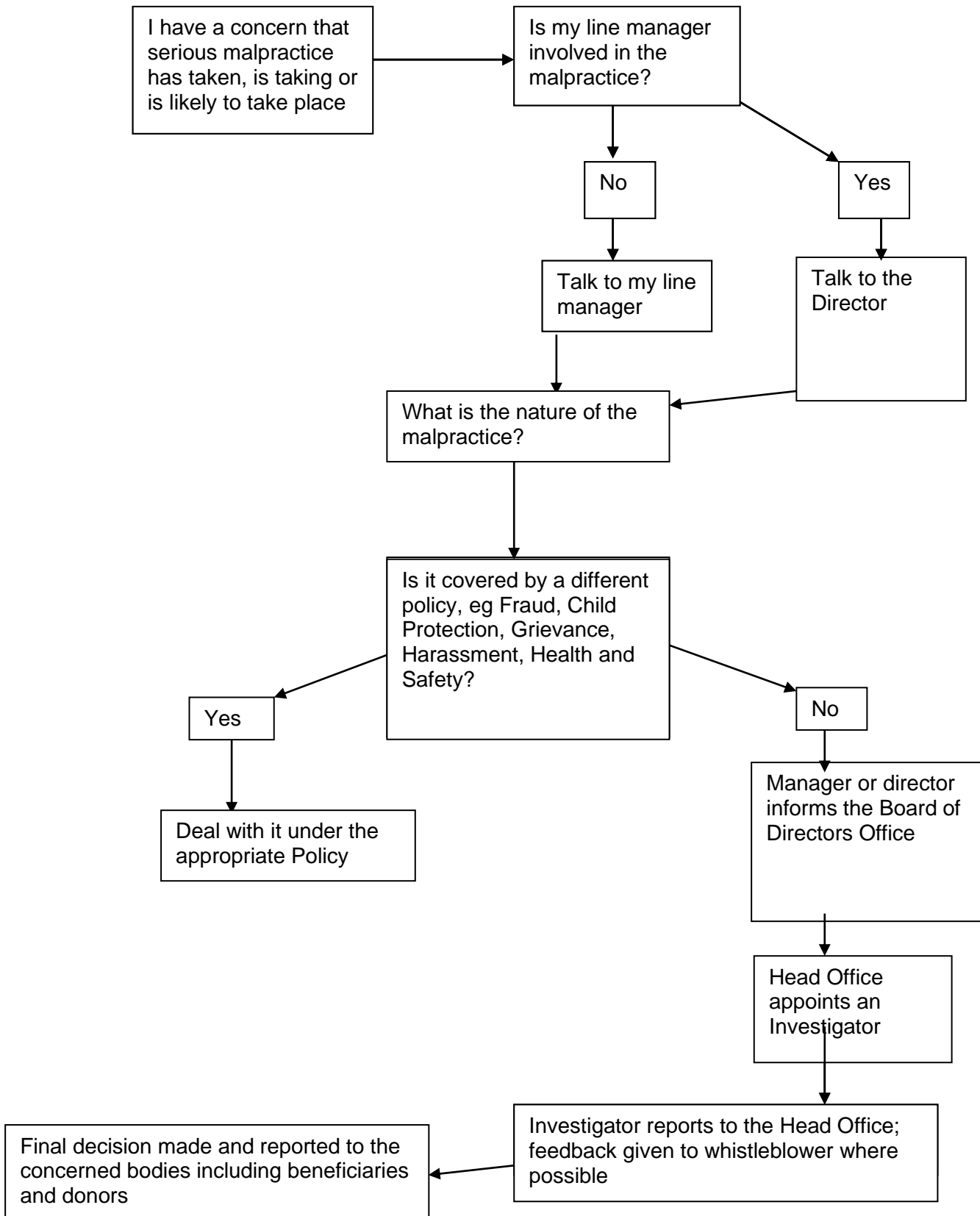
At office level in Ethiopia, ESD undertakes to introduce complaints boxes.

The programme coordinator and the Deputy and Executive Directors are the assigned individuals to personally receive reports and both are **obligated** by this policy to appropriately follow up all such reports.

ESD commits to implementing a whistle-blowing log, maintained by the Directors, where all reports are logged and allocated a reference. This reference initiates the opening of a file for each report, where **all** information pertaining to the investigation/analysis of the incident is recorded. These files are maintained by the Director, or by such person(s) delegated by him/her.

All reports received will be informed to the Board of Directors and the final decision will be taken by this body..

Appendix 1
FLOW CHART FOR ESD STAFF IN REPORTING CONCERNS ABOUT MIS
CONDUCT WITHIN ESD



Appendix 2
**THE ROLE OF THE NAMED DIRECTOR AND THE BOARD OF DIRECTORS IN
RELATION TO THE WHISTLE-BLOWING POLICY.**

ESD's Whistle-blowing Policy identifies management actions to be taken when allegations are raised. In addition, certain post holders have specific responsibilities in relation to the implementation and operation of the Whistle-blowing Policy as follows:

The Programme coordination Office, is the relevant body, within the Policy to whom anyone can raise a case directly. Further, all allegations raised through the management line must be reported to the head Office; the Head Office will appoint an individual not implicated in the complaint to carry out an urgent and confidential investigation.

A **Director**, is also a named person whom anyone may approach directly with allegations, particularly if they feel they cannot go through any part of the management line.

Each of the named persons may use their discretion to escalate the concern outside the process outlined in the Policy if this is the appropriate course of action (most usually this will be referral to the Chair of the Board of Directors in the first place).

Relationship to the Board of Directors

Directors will wish to know that ESD's Whistle-blowing Policy is an effective instrument, and fulfil this responsibility by receiving an annual report setting out how the use of the Policy has been monitored and identifying instances of use by category and outcome.

In this respect the role of the named Director is one of 'watchfulness'. This is exercised chiefly through presenting the annual report (prepared with support from the Head Office to the Board. The named Director will also be informed of any cases where there is potential serious reputational risk.